

**AGENDA****ASSEMBLY BUDGET SUBCOMMITTEE No. 3  
ON CLIMATE CRISIS, RESOURCES, ENERGY, AND TRANSPORTATION****ASSEMBLYMEMBER RICHARD BLOOM, CHAIR****WEDNESDAY, APRIL 27, 2022  
9:30 A.M. – STATE CAPITOL, ROOM 127  
(PLEASE NOTE ROOM CHANGE)****NON-PRESENTATION CALENDAR**

<b>ITEM</b>	<b>DESCRIPTION</b>	<b>PAGE</b>
<b>3900</b>	<b>CALIFORNIA AIR RESOURCES BOARD</b>	<b>3</b>
ISSUE 1	CERTIFICATION AND COMPLIANCE FUND EXPENDITURE AUTHORITY	3
ISSUE 2	IMPLEMENTATION AND ENFORCEMENT OF THE CARGO TANK VAPOR RECOVERY PROGRAM	3
ISSUE 3	LOW CARBON FUEL STANDARD REGISTRATION AND REPORTING TOOL	4
ISSUE 4	TRANSPORT REFRIGERATION UNIT PROGRAM IMPLEMENTATION AND ENFORCEMENT	4
<b>3090</b>	<b>BALDWIN HILLS CONSERVANCY</b>	<b>5</b>
ISSUE 5	BALDWIN HILLS CONSERVANCY REIMBURSEMENT AUTHORITY	5
<b>3720</b>	<b>CALIFORNIA COASTAL COMMISSION</b>	<b>5</b>
ISSUE 6	RESOURCES FOR ATTORNEYS' FEES	5
	<b>VARIOUS</b>	<b>6</b>
ISSUE 7	SUPPORT FOR RELATIVITY DOCUMENT REVIEW SOFTWARE	6
ISSUE 8	NATURAL RESOURCES AGENCY BOND AND TECHNICAL PROPOSALS	6
ISSUE 9	CALIFORNIA ENVIRONMENTAL PROTECTION AGENCY TECHNICAL ADJUSTMENTS	7
<b>3885</b>	<b>DELTA STEWARDSHIP COUNCIL</b>	<b>7</b>
ISSUE 10	HUMAN RESOURCES CAPACITY IMPROVEMENT	7
<b>3360</b>	<b>CALIFORNIA ENERGY COMMISSION</b>	<b>8</b>
ISSUE 11	SOLAR EQUIPMENT LIST DIRECT APPROPRIATION	8
<b>3600</b>	<b>DEPARTMENT OF FISH AND WILDLIFE</b>	<b>8</b>
ISSUE 12	AUTOMATED LICENSE DATA SYSTEM CONTRACT INCREASE	8
ISSUE 13	DEDICATED FISH AND GAME PRESERVATION FUND REALIGNMENT AND TRAILER BILL	9
ISSUE 14	WILDLIFE WAYSTATION EMERGENCY RESPONSE	9
<b>8570</b>	<b>CALIFORNIA DEPARTMENT OF FOOD AND AGRICULTURE</b>	<b>10</b>
ISSUE 15	CALIFORNIA FARM TO SCHOOL AND HEALTHY REFRIGERATION GRANT PROGRAM EVALUATIONS	10
ISSUE 16	CENTER FOR ANALYTICAL CHEMISTRY BUILDING B REPURPOSING	10

ISSUE 17	EMERGING THREATS INFORMATION DATA MANAGEMENT SYSTEM	11
ISSUE 18	EXTENSION OF INVASIVE SHOT HOLE BORER FUNDING	11
ISSUE 19	FARM TO COMMUNITY FOOD HUB GRANT PROGRAM	11
ISSUE 20	INFORMATION TECHNOLOGY SECURITY REMEDIATION AND SUSTAINABILITY	12
ISSUE 21	TECHNICAL CORRECTION	12
<b>0540</b>	<b>CALIFORNIA NATURAL RESOURCES AGENCY</b>	<b>13</b>
ISSUE 22	BONDS AND GRANTS UNIT POSITIONS	13
<b>3790</b>	<b>DEPARTMENT OF PARKS AND RECREATION</b>	<b>13</b>
ISSUE 23	ALAMEDA-TESLA EXPANSION AREA PLANNING / STATEWIDE: OHV FEASIBILITY STUDIES FOR ACQUISITIONS	13
ISSUE 24	KINGS BEACH SRA: RECREATIONAL PIER REPLACEMENT AND SUPPORT BUILDINGS	14
ISSUE 25	LAKE OROVILLE SRA: GOLD FLAT CAMPGROUND UPGRADES	14
ISSUE 26	LOCAL ASSISTANCE: STATEWIDE PARK PROGRAM AND URBAN PARKS INITIATIVE GRANTS	15
ISSUE 27	MALIBU CREEK SP: NEW STOKES CREEK BRIDGE	15
ISSUE 28	MOUNT DIABLO SP: VISITOR CENTER	16
ISSUE 29	PISMO SB: ENTRANCE KIOSK REPLACEMENT	16
ISSUE 30	STATEWIDE: BUDGET PACKAGES / STUDIES	17
ISSUE 31	TAMARACK WILDFIRE REPAIR	17
<b>8660</b>	<b>CALIFORNIA PUBLIC UTILITIES COMMISSION</b>	<b>18</b>
ISSUE 32	ADMINISTRATIVE LAW JUDGE DIVISION INTERVENOR COMPENSATION PROGRAM SUPPORT	18
ISSUE 33	CENTRALIZED ENTERPRISE GEOGRAPHICAL INFORMATION SYSTEMS AND DATA ANALYTICS ENVIRONMENT	18
ISSUE 34	CPUC ENTERPRISE SOLUTIONS ONGOING MAINTENANCE AND SUPPORT COSTS	19
ISSUE 35	SUMMER RELIABILITY AND GENERATION AUDITS, AND PUBLIC SAFETY POWER SHUTOFF OVERSIGHT	19
ISSUE 36	HUMAN RESOURCES: HUMAN CAPITAL MANAGEMENT (HCM) SYSTEM	20
<b>3820</b>	<b>SAN FRANCISCO BAY CONSERVATION AND DEVELOPMENT</b>	<b>20</b>
ISSUE 37	HYBRID COMMISSION MEETINGS AND NEW COMPLIANT WEBSITE	20
<b>3830</b>	<b>SAN JOAQUIN RIVER CONSERVANCY</b>	<b>21</b>
ISSUE 38	SAN JOAQUIN RIVER CONSERVANCY WORKLOAD SUPPORT	21
<b>3760</b>	<b>STATE COASTAL CONSERVANCY</b>	<b>21</b>
ISSUE 39	ESTABLISHMENT OF TWO POSITIONS FOR THE GREAT REDWOOD TRAIL PROJECT	21
ISSUE 40	NEW REIMBURSEMENT AUTHORITY	21
<b>3860</b>	<b>DEPARTMENT OF WATER RESOURCES</b>	<b>22</b>
<b>3940</b>	<b>STATE WATER RESOURCES CONTROL BOARD</b>	
ISSUE 41	DROUGHT PLANNING FOR NONTRANSIENT NONCOMMUNITY WATER SYSTEMS (SB 552)	22
<b>3125</b>	<b>CALIFORNIA TAHOE CONSERVANCY</b>	<b>22</b>

ISSUE 42	FOREST PROGRAM MANAGEMENT	22
<b>3960</b>	<b>DEPARTMENT OF TOXIC SUBSTANCES CONTROL</b>	<b>23</b>
ISSUE 43	SANTA SUSANA FIELD LABORATORY CLEANUP TEAM	23
<b>3860</b>	<b>DEPARTMENT OF WATER RESOURCES</b>	<b>23</b>
ISSUE 44	CENTRAL VALLEY FLOOD PROTECTION BOARD DATABASE MANAGEMENT	23
ISSUE 45	SALTON SEA REIMBURSEMENT AUTHORITY: PROTECT AND ENHANCE NATURAL SYSTEMS	24
ISSUE 46	CALIFORNIA WATER COMMISSION: WATER STORAGE INVESTMENT PROGRAM SUPPORT	24

ITEMS TO BE HEARD		
ITEM	DESCRIPTION	PAGE
<b>3970</b>	<b>DEPARTMENT OF RESOURCES RECYCLING AND RECOVERY</b>	<b>25</b>
ISSUE 1	BEVERAGE CONTAINER RECYCLING: STRENGTHENING THE CIRCULAR ECONOMY WITH CONSUMER RECYCLING CREDITS AND MARKET INCENTIVES	25
<b>3940</b>	<b>STATE WATER RESOURCES CONTROL BOARD</b>	<b>30</b>
ISSUE 2	IMPLEMENTATION OF THE SUSTAINABLE GROUNDWATER MANAGEMENT ACT (SGMA)	30
<b>3900</b>	<b>CALIFORNIA AIR RESOURCES BOARD</b>	<b>32</b>
ISSUE 3	OIL AND GAS ENFORCEMENT AND COMMUNITY PROTECTION	32
<b>3540</b>	<b>CALIFORNIA DEPARTMENT OF FORESTRY AND FIRE PROTECTION</b>	<b>34</b>
ISSUE 4	OFFICE OF THE STATE FIRE MARSHAL, FIRE AND LIFE SAFETY DESIGNATED CAMPUS FIRE MARSHAL PROGRAM	34

### ***Public Comment***

---

*The public may attend this hearing in person or participate by phone. Any member of the public attending this hearing is strongly encouraged to wear a mask at all times while in the building location. This hearing can be viewed via live stream on the Assembly's website at <https://assembly.ca.gov/todaysevents>.*

*We encourage the public to provide written testimony before the hearing. Please send your written testimony to: [BudgetSub3@asm.ca.gov](mailto:BudgetSub3@asm.ca.gov). Please note that any written testimony submitted to the committee is considered public comment and may be read into the record or reprinted.*

*A moderated telephone line will be available to assist with public participation. The public may provide comment by calling the following toll-free number: **877-692-8957 / Access Code: 131 51 27.***

---

## NON-PRESENTATION ITEMS

### 3900 CALIFORNIA AIR RESOURCES BOARD

---

---

#### ISSUE 1: CERTIFICATION AND COMPLIANCE FUND EXPENDITURE AUTHORITY

A Spring Finance Letter requests to shift existing positions and authority to the Certification and Compliance Fund (CCF). This request will shift existing positions in various divisions starting in Fiscal Year (FY) 2022-23. This includes certification and compliance activities through the Mobile Source Certification and Compliance (MSCC) programs that are currently funded through the Air Pollution Control Fund.

---

**Staff Recommendation: Absent member questions or input from the public at this hearing, Staff recommends this item be considered for a vote-only calendar when the Committee takes action.**

---

#### ISSUE 2: IMPLEMENTATION AND ENFORCEMENT OF THE CARGO TANK VAPOR RECOVERY PROGRAM

A Spring Finance Letter requests one-time authority to spend \$1,225,000 on enforcement equipment and IT system development to be funded by Cargo Tank Certification Fees that are currently collected and deposited into the Air Pollution Control Fund (APCF) for the Cargo Tank Vapor Recovery Program (CTVRP) and \$196,000 in annual indirect costs as agreed upon by the Department of Finance and the U.S. Environmental Protection Agency under Code of Federal Regulations, title 2, part 200, effective FY 2022-23. Additionally, CARB requests \$524,000 for 3.0 permanent ongoing positions. CARB also requests an annual ongoing amount of \$350,000 for enforcement equipment and IT maintenance costs effective FY 2023-24. These resources will enable CARB to meet the requirements set forth in Health and Safety Code section 41962, ensuring compliance of the Certification of Vapor Recovery Systems on Cargo Tanks Regulation (Cal. Code of Regs., Tit. 17, § 94014) and keeping the program revenue neutral.

---

**Staff Recommendation: Absent member questions or input from the public at this hearing, Staff recommends this item be considered for a vote-only calendar when the Committee takes action.**

---

**ISSUE 3: LOW CARBON FUEL STANDARD REGISTRATION AND REPORTING TOOL**

A Spring Finance Letter requests a one-time incremental increase of \$5,500,000 from the Cost of Implementation (COI) Fund phased-in over four years (through FY 2025-26), for technical and administrative services for coordinated implementation of the Low Carbon Fuel Standard (LCFS). CARB will procure these services using applicable state contracting requirements. This request will provide secure registration, reporting and credit exchange services for the LCFS among participating entities.

---

**Staff Recommendation: Absent member questions or input from the public at this hearing, Staff recommends this item be considered for a vote-only calendar when the Committee takes action.**

---

**ISSUE 4: TRANSPORT REFRIGERATION UNIT PROGRAM IMPLEMENTATION AND ENFORCEMENT**

A Spring Finance Letter requests \$596,000 Motor Vehicle Account for 6.0 permanent positions in Fiscal Year 2022-23, \$1.1 million Motor Vehicle Account and \$1.1 million Certification and Compliance Fund for 13.0 permanent positions in 2023-24, and \$2.75 million ongoing Certification and Compliance for 3.0 permanent positions in 2024-25. These resources would be used to implement and enforce the requirements of the proposed amendments to the “Airborne Toxic Control Measure for In-Use Diesel-Fueled Transport Refrigeration Units (TRU) and TRU Generator Sets, and Facilities Where TRUs Operate” (Cal. Code Regs., tit. 13, section 2477), hereafter referred to as the “Proposed Amendments,” and support multiple state policies and plans directing CARB to achieve additional diesel emission reductions and to protect public health, particularly in disadvantaged communities. The Proposed Amendments introduce a new fee requirement, with new fees collected to be deposited into CCF. Beginning January 1, 2024, CCF would fully fund this proposal on an ongoing basis and temporary funding from MVA would no longer be needed.

---

**Staff Recommendation: Absent member questions or input from the public at this hearing, Staff recommends this item be considered for a vote-only calendar when the Committee takes action.**

---

**3090 BALDWIN HILLS CONSERVANCY**

---

---

**ISSUE 5: BALDWIN HILLS CONSERVANCY REIMBURSEMENT AUTHORITY**

A Spring Finance Letter Requests \$1,000,000 in ongoing reimbursement authority from the General Fund to allow for the receipt of grants. Currently, the Conservancy has no reimbursement authority available, which limits its ability to leverage funding for partnerships with agencies and non-profit organizations.

**Staff Recommendation: Absent member questions or input from the public at this hearing, Staff recommends this item be considered for a vote-only calendar when the Committee takes action.**

---

**3720 CALIFORNIA COASTAL COMMISSION**

---

---

**ISSUE 6: RESOURCES FOR ATTORNEYS' FEES**

A Spring Finance Letter requests \$120,000 from the General Fund for one-time funding to pay for outside counsel to represent it in four consolidated cases for which the Attorney General's Office is unable to represent it due to a potential conflict of interest with the California Department of Parks and Recreation. The funding is necessary to allow the Coastal Commission to defend itself in this litigation.

**Staff Recommendation: Absent member questions or input from the public at this hearing, Staff recommends this item be considered for a vote-only calendar when the Committee takes action.**

---

**VARIOUS**

---

---

**ISSUE 7: SUPPORT FOR RELATIVITY DOCUMENT REVIEW SOFTWARE**

A Spring Finance Letter requests \$2.324 million baseline funding and 12 permanent positions to provide resources necessary to adequately maintain and use the Relativity program in responding to litigation requirements and California Public Records Act (PRA) requests. Proper maintenance and resourcing will avoid the risk of costly litigation regarding the production of relevant documents. This covers: The Department of Water Resources (DWR), California Coastal Commission (CCC), Department of Fish and Wildlife (DFW), Department of Conservation (DOC), Office of Energy Infrastructure Safety (OEIS), California Tahoe Conservancy (CTC) and the California Energy Commission (CEC).

---

**Staff Recommendation: Absent member questions or input from the public at this hearing, Staff recommends this item be considered for a vote-only calendar when the Committee takes action.**

---

**ISSUE 8 : NATURAL RESOURCES AGENCY BOND AND TECHNICAL PROPOSALS**

A Spring Finance Letter includes requests for appropriations and reappropriations from various bonds, reversions, reversions with associated new appropriations, and other non-bond technical adjustments to continue implementation of existing authorized programs.

The list will be published on the Assembly Budget Sub. 3 website.

---

**Staff Recommendation: Absent member questions or input from the public at this hearing, Staff recommends this item be considered for a vote-only calendar when the Committee takes action.**

---

**ISSUE 9: CALIFORNIA ENVIRONMENTAL PROTECTION AGENCY TECHNICAL ADJUSTMENTS**

A Spring Finance Letter requests various reappropriations, technical, and baseline adjustments to continue implementation of previously authorized programs.

The list will be published on the Assembly Budget Sub. 3 website.

---

**Staff Recommendation: Absent member questions or input from the public at this hearing, Staff recommends this item be considered for a vote-only calendar when the Committee takes action.**

---

**3885 DELTA STEWARDSHIP COUNCIL**

---

---

**ISSUE 10: HUMAN RESOURCES CAPACITY IMPROVEMENT**

A Spring Finance Letter requests 1.0 permanent position in the 2022-2023 fiscal year (FY), with no additional funding required, to support the capacity improvements in the Council's Human Resources (HR) office. The Council is in the process of transitioning from an inter-agency agreement with the Department of Forestry and Fire Protection (CalFire) for HR services to provide HR services in-house with Council staff.

---

**Staff Recommendation: Absent member questions or input from the public at this hearing, Staff recommends this item be considered for a vote-only calendar when the Committee takes action.**

---

**3360 CALIFORNIA ENERGY COMMISSION**

---

---

**ISSUE 11: SOLAR EQUIPMENT LIST DIRECT APPROPRIATION**

A Spring Finance Letter requests a permanent direct appropriation for \$1,281,000 from the Public Utilities Commission Utilities Reimbursement Account (PUCURA, Fund 0462) to fund the CEC's Solar Equipment List Program and replace the current Interagency Agreement (IA) funding mechanism. The IA with the California Public Utilities Commission (CPUC) ends on June 30, 2022. This request includes support for the existing staff level of 8.0 **personnel years** and \$50,000 in contract funds annually, a reduction from the current \$70,000 in annual contract funds provided for under the existing agreement.

---

**Staff Recommendation: Absent member questions or input from the public at this hearing, Staff recommends this item be considered for a vote-only calendar when the Committee takes action.**

---

**3600 DEPARTMENT OF FISH AND WILDLIFE**

---

---

**ISSUE 12: AUTOMATED LICENSE DATA SYSTEM CONTRACT INCREASE**

A Spring Finance Letter requests funding of \$831,000 General Fund in Fiscal Year (FY) 2022-23, \$833,000 in FY 2023-24, \$834,000 in FY 2024-25, \$974,000 in FY 2025-26, and \$1.05 million in FY 2026-27 and ongoing for the increased cost of the agreement between the Department's Data and Technology Division and Aspira. Aspira provides the necessary maintenance, development, and support to keep the Automated License Data System (ALDS) operational.

---

**Staff Recommendation: Absent member questions or input from the public at this hearing, Staff recommends this item be considered for a vote-only calendar when the Committee takes action.**

---

**ISSUE 13: DEDICATED FISH AND GAME PRESERVATION FUND REALIGNMENT AND TRAILER BILL**

A Spring Finance Letter proposes trailer bill language that would extend the sunset date of the Steelhead Report and Restoration Card from January 1, 2023 to January 1, 2028. In addition, the Department requests various adjustments to the Fish and Game Preservation Fund's (FGPF) dedicated accounts resulting in an increase of \$2.45 million in Fiscal Year (FY) 2022-23, \$86,000 in FY 2023-24, and \$56,000 in FY 2024-25 and ongoing. These adjustments align the accounts' expenditure authority with revenues and help the Department maintain stability, structural balance, and workload for the fund.

**STAFF COMMENTS**

According to recent reports from DFW, only 35% of report cards are returned. Staff recommends working with the Department on efforts to increase this number.

---

**Staff Recommendation: Hold Open.**

---

**ISSUE 14: WILDLIFE WAYSTATION EMERGENCY RESPONSE**

A Spring Finance Letter requests one-time funding of \$1.08 million General Fund in Fiscal Year (FY) 2022-23 to fund the necessary contracts (payroll services, armed guards, water delivery, portable toilets, etc.) associated with the Wildlife Waystation Sanctuary (WW). The additional resources are needed to care for and rehome the remaining exotic animals to complete the Department's original emergency operation.

---

**Staff Recommendation: Absent member questions or input from the public at this hearing, Staff recommends this item be considered for a vote-only calendar when the Committee takes action.**

---

**8570 CALIFORNIA DEPARTMENT OF FOOD AND AGRICULTURE**

---

---

**ISSUE 15: CALIFORNIA FARM TO SCHOOL AND HEALTHY REFRIGERATION GRANT PROGRAM EVALUATIONS**

A Spring Finance Letter requests Budget Bill Language to authorize the California Department of Food and Agriculture (CDFA) to expend funding appropriated for the California Farm to School Incubator Grant Program and the Healthy Refrigeration Grant Program on support and local assistance costs. This will allow CDFA to adequately fund external program evaluations of these programs.

**STAFF COMMENTS**

Staff recommends allowing funding for program evaluation, but not \$5 million (of the \$30 million in funds) which would mean 17% of the funds are used for program evaluation instead of grants.

---

**Staff Recommendation: Hold Open.**

---

**ISSUE 16: CENTER FOR ANALYTICAL CHEMISTRY BUILDING B REPURPOSING**

A Spring Finance Letter requests \$3,151,000 General Fund in Fiscal Year 2022-23 to carry out repurposing of the Center for Analytical Chemistry's (CAC) Building B facility per the Department of General Services' study report. The Building B facility houses the Environmental Safety and Regulatory Analysis laboratories which are in critical need of a facility repurposing, providing for safe and dedicated office spaces for staff and optimum performance of scientific equipment used in analytical work. Funding for all phases of the project is being requested as it is estimated construction will begin in 2022-23.

---

**Staff Recommendation: Absent member questions or input from the public at this hearing, Staff recommends this item be considered for a vote-only calendar when the Committee takes action.**

---

**ISSUE 17: EMERGING THREATS INFORMATION DATA MANAGEMENT SYSTEM**

A Spring Finance Letter requests \$1,954,000 in 2022-23 (\$1,231,000 General Fund and \$723,000 Food and Agriculture Fund) and \$904,000 in 2023-24 (\$570,000 General Fund and \$334,000 Food and Agriculture Fund) to complete the planning activities required by the Department of Technology Project Approval Lifecycle to replace the existing legacy Emerging Threats Information Data Management System. This system supports CDFA's Animal Health and Food Safety Services Division, the lead state organization for protecting consumers, livestock, and California's economy from catastrophic animal diseases, food safety and other health or agricultural related issues.

---

**Staff Recommendation: Absent member questions or input from the public at this hearing, Staff recommends this item be considered for a vote-only calendar when the Committee takes action.**

---

**ISSUE 18: EXTENSION OF INVASIVE SHOT HOLE BORER FUNDING**

A Spring Finance Letter requests an extension of the liquidation period from June 30, 2022, to June 30, 2024, to complete the Invasive Shot Hole Borer (ISHB) research and outreach activities necessary to create a comprehensive strategy to control ISHB. These activities are needed to develop essential components of an evolving regional Integrated Pest Management program.

---

**Staff Recommendation: Absent member questions or input from the public at this hearing, Staff recommends this item be considered for a vote-only calendar when the Committee takes action.**

---

**ISSUE 19: FARM TO COMMUNITY FOOD HUB GRANT PROGRAM**

A Spring Finance Letter requests 3 positions beginning in 2022-23 and budget bill language to allow CDFA to expend the \$15 million appropriated for the Farm to Community Food Hub Grant Program by the Budget Act of 2021 (Chapter 240, Statutes of 2021, SB 170) for support or local assistance until June 30, 2028. These funds will support the Farm to Community Food Hub Grant Program operations, including the 3 positions, to implement the requirements associated with Assembly Bill (AB) 1009 (Chapter 608, Statutes of 2021).

---

**Staff Recommendation: Absent member questions or input from the public at this hearing, Staff recommends this item be considered for a vote-only calendar when the Committee takes action.**

---

**ISSUE 20: INFORMATION TECHNOLOGY SECURITY REMEDIATION AND SUSTAINABILITY**

A Spring Finance Letter requests \$2,942,000 General Fund and \$544,000 special funds and one permanent position in 2022-23, \$2,455,000 General Fund and \$540,000 special funds in 2023-24, and \$1,030,000 General Fund and \$540,000 special funds in 2024-25 and ongoing to manage, implement, and maintain mitigation efforts to resolve high-risk information technology security findings, "true up" its personal services and operating expense and equipment costs, and fund two existing authorized positions within CDFA's Office of Information Technology Services.

---

**Staff Recommendation: Absent member questions or input from the public at this hearing, Staff recommends this item be considered for a vote-only calendar when the Committee takes action.**

---

**ISSUE 21: TECHNICAL CORRECTION**

A Spring Finance Letter requests a technical correction in a cross reference in the budget bill to read:

Amend Provision 2 of Item 8570-001-6088 as follows: "2. The funds appropriated in Schedule (2) shall be available as follows: (a) \$50,000 shall be available consistent with subdivision (b) of Section 80134 of the Public Resources Code. (b) \$100,000 shall be available consistent with subdivision (b) of Section 81047 80147 of the Public Resources Code.

---

**Staff Recommendation: Absent member questions or input from the public at this hearing, Staff recommends this item be considered for a vote-only calendar when the Committee takes action.**

---

**0540 CALIFORNIA NATURAL RESOURCES AGENCY**

---

---

**ISSUE 22: BONDS AND GRANTS UNIT POSITIONS**

A Spring Finance Letter requests 7.0 permanent positions in 2022-23, 6.0 permanent positions in 2023-24, and 7.0 permanent positions in 2024-25 (for a total of 20 positions ongoing) within the Bonds and Grants Unit, to support the increase in grant program and specified project funding and associated workload. Positions will be funded with existing funding authority.

---

**Staff Recommendation: Absent member questions or input from the public at this hearing, Staff recommends this item be considered for a vote-only calendar when the Committee takes action.**

---

**3790 DEPARTMENT OF PARKS AND RECREATION**

---

---

**ISSUE 23: ALAMEDA-TESLA EXPANSION AREA PLANNING / STATEWIDE: OHV FEASIBILITY STUDIES FOR ACQUISITIONS**

A Spring Finance Letter requests \$1,000,000 one-time from the State Park and Recreation Fund (via a prior year transfer from the General Fund per SB 155) and one limited-term position for the classification of and general plan for the 3,100 acres of the Alameda Tesla Expansion Area to determine the best management strategies and public use of the land. Additionally, the Department requests \$1,000,000 Off-Highway Vehicle Trust Fund (OHVTF) authority for feasibility studies related to acquisition of additional lands to support and/or expand off-highway vehicle (OHV) recreation.

---

**Staff Recommendation: Absent member questions or input from the public at this hearing, Staff recommends this item be considered for a vote-only calendar when the Committee takes action.**

---

**ISSUE 24: KINGS BEACH SRA: RECREATIONAL PIER REPLACEMENT AND SUPPORT BUILDINGS**

A Spring Finance Letter requests \$805,000 in reimbursement authority for the preliminary plans phase of the Kings Beach State Recreation Area (SRA): Recreational Pier Replacement and Support buildings project in Placer County. This project will relocate the existing pier, construct a new support building for park operations, and provide access and recreational improvements, consistent with the 2018 General Plan. Design funds for this project will come from fully executed grant agreements between the Department and the California Tahoe Conservancy in the amount of \$650,000 and the Department and the State of California, Wildlife Conservation Board in the amount of \$700,000, for a total of \$1,350,000. The Department will seek additional grant funds for the construction phase of this project.

---

**Staff Recommendation: Absent member questions or input from the public at this hearing, Staff recommends this item be considered for a vote-only calendar when the Committee takes action.**

---

**ISSUE 25 : LAKE OROVILLE SRA: GOLD FLAT CAMPGROUND UPGRADES**

A Spring Finance Letter requests new appropriation in the amount of \$1,677,000 from the California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access for All Fund (Proposition 84) for the construction phase of the continuing Lake Oroville State Recreation Area (SRA): Gold Flat Campground Upgrades project. The Department also requests the reversion of the 2019 appropriation for \$1,299,000 from Proposition 84 for the construction phase of the continuing Lake Oroville SRA: Gold Flat Campground Upgrades project. This request is a net increase of \$378,000. This continuing project will upgrade aged and failing infrastructure by replacement of the outdated electrical and water distribution systems, installation of data conduit for future use, and overlay of campground roads and campsite spurs. The project will also construct accessible campsites and accessible paths of travel and accessibility upgrades to the existing combination building.

---

**Staff Recommendation: Absent member questions or input from the public at this hearing, Staff recommends this item be considered for a vote-only calendar when the Committee takes action.**

---

**ISSUE 26: LOCAL ASSISTANCE: STATEWIDE PARK PROGRAM AND URBAN PARKS INITIATIVE GRANTS**

A Spring Finance Letter requests one-time funding of \$7,200,000 from the California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Fund (Proposition 40) for competitive grants under the Urban Parks Initiative Program and one-time funding of \$5,000,000 from the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Fund (Proposition 84) for competitive grants under the Statewide Park Development and Community Revitalization Program. These programs provide grants to create new parks and recreational opportunities in underserved communities across California.

---

**Staff Recommendation: Absent member questions or input from the public at this hearing, Staff recommends this item be considered for a vote-only calendar when the Committee takes action.**

---

**ISSUE 27: MALIBU CREEK SP: NEW STOKES CREEK BRIDGE**

A Spring Finance Letter requests a supplemental appropriation of \$79,000 from available bond funds from the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Fund (Proposition 84, Public Resources Code 75063(a)) for the working drawings phase of the continuing Malibu Creek State Park (SP): New Stokes Creek Bridge project in Los Angeles County. This project will replace an existing, undersized arch culvert with a bridge to restore a secondary escape route for park visitors in the event of fire or other emergencies, reduce deferred maintenance costs and disruption to campers, and restore the creek to its natural configuration. This additional funding is necessary for the working drawings phase of this project due to increased design costs and additional natural resources permitting activities.

---

**Staff Recommendation: Absent member questions or input from the public at this hearing, Staff recommends this item be considered for a vote-only calendar when the Committee takes action.**

---

**ISSUE 28: MOUNT DIABLO SP: VISITOR CENTER**

A Spring Finance Letter requests \$90,000 in reimbursement authority from the State Parks and Recreation Fund for preliminary plans and working drawings phases of the Mount Diablo State Park (SP): Visitor Center. This new project includes replacing a small existing visitor center trailer with a larger visitor center, remodeling the existing restroom and site to meet accessibility standards, and constructing an outdoor interpretive pavilion. The Mount Diablo Interpretive Association (MDIA) has agreed to donate the design drawings and specifications for this project, subject to state review and approvals, and will collaborate with the Department to pay all state costs for design review, project management, and construction.

---

**Staff Recommendation: Absent member questions or input from the public at this hearing, Staff recommends this item be considered for a vote-only calendar when the Committee takes action.**

---

**ISSUE 29 : PISMO SB: ENTRANCE KIOSK REPLACEMENT**

A Spring Finance Letter requests to shift the fund source for the Pismo SB: Entrance Kiosk Replacement project in San Luis Obispo County from the Off-Highway Vehicle Trust Fund to the General Fund, for a total of \$1,053,000 for the preliminary plans, working drawings and construction phase. This transfer is in response to recent Coastal Commission decisions impacting Oceano Dunes State Vehicular Recreation Area (SRVA) and will repay the Off-Highway Vehicle Trust Fund (OHVTF) for all costs incurred developing the project.

---

**Staff Recommendation: Absent member questions or input from the public at this hearing, Staff recommends this item be considered for a vote-only calendar when the Committee takes action.**

---

**ISSUE 30: STATEWIDE: BUDGET PACKAGES / STUDIES**

A Spring Finance Letter requests \$1,000,000 in spending authority from the Natural Resources and Parks Preservation Fund (NRPPF). The Department is currently evaluating its infrastructure needs and will utilize a selection process to identify capital outlay projects that will improve visitor experiences and build park resources and recreational opportunities fostering better connections with under-resourced communities and tackling barriers to park access. Once potential capital outlay projects are selected, these funds will be used to develop detailed scope and cost estimates for consideration by the Legislature through the annual budget process. Subsequent capital outlay appropriations will be proposed from these funds set aside in the NRPPF, as additional funding is needed for future phases. The funding for this project will come from \$1,000,000 in spending authority from the \$50,000,000 General Fund transfer to NRPPF included in the 2022-23 Governor's Budget for future capital outlay projects. Provisional language is requested making these funds available for encumbrance for two years, rather than one year, due to the timeframe needed to efficiently complete the studies.

---

**Staff Recommendation: Absent member questions or input from the public at this hearing, Staff recommends this item be considered for a vote-only calendar when the Committee takes action.**

---

**ISSUE 31: TAMARACK WILDFIRE REPAIR**

A Spring Finance Letter requests \$5,000,000 in one-time General Fund in fiscal year 2022-23 for the Tamarack Wildfire Repair project in Grover Hot Springs State Park (SP). The Department will replace and repair lost equipment, destroyed facilities, and trails back to pre-disaster condition.

---

**Staff Recommendation: Absent member questions or input from the public at this hearing, Staff recommends this item be considered for a vote-only calendar when the Committee takes action.**

---

**8660 CALIFORNIA PUBLIC UTILITIES COMMISSION**

---

---

**ISSUE 32: ADMINISTRATIVE LAW JUDGE DIVISION INTERVENOR COMPENSATION PROGRAM SUPPORT**

A Spring Finance Letter requests \$866,000 per year for fiscal years 2022-23 and 2023-24, and \$596,000 ongoing effective 2024-25 from various special funds for three (3.0) new permanent full-time positions, two (2.0) two-year full-time temporary positions, and position authority to convert one (1.0) existing full-time blanket to a permanent position. Additionally, the CPUC requests 0.75 position authority as a net-zero augmentation to convert an existing 0.25 full-time equivalent (FTE) position to 1.0 FTE position in the Administrative Law Judge Division to strengthen the administration of the Intervenor Compensation program and compensate intervenors in a timely and efficient manner in compliance with statutory deadlines.

---

**Staff Recommendation: Absent member questions or input from the public at this hearing, Staff recommends this item be considered for a vote-only calendar when the Committee takes action.**

---

**ISSUE 33: CENTRALIZED ENTERPRISE GEOGRAPHICAL INFORMATION SYSTEMS AND DATA ANALYTICS ENVIRONMENT**

A Spring Finance Letter requests one-time budget increase in the amount of \$1,452,000 for fiscal year 2022-23 and ongoing costs of \$1,178,000 to provide licensing and infrastructure to implement enhanced enterprise Geographical Information Systems (GIS) and data analytics capabilities for the CPUC's public purpose programs, service quality activities, and policy support (including federal policy activities), and to respond to the CPUC's need for data and maps of utility services and infrastructure to inform its work. The funding comes from various CPUC special funds.

---

**Staff Recommendation: Absent member questions or input from the public at this hearing, Staff recommends this item be considered for a vote-only calendar when the Committee takes action.**

---

**ISSUE 34: CPUC ENTERPRISE SOLUTIONS ONGOING MAINTENANCE AND SUPPORT COSTS**

A Spring Finance Letter requests \$5,824,000 for fiscal year 2022-23 and \$6,115,000 ongoing from various special funds for ongoing maintenance and support costs of enterprise-wide information technology (IT) solutions and tools implemented in recent years. These funds will support CPUC projects and efforts so that legacy systems can be upgraded and/or replaced, new systems created to address new and evolving CPUC business needs, and the overall health of the IT environment improved while meeting the CPUC's mission and objectives.

---

**Staff Recommendation: Absent member questions or input from the public at this hearing, Staff recommends this item be considered for a vote-only calendar when the Committee takes action.**

---

**ISSUE 35: SUMMER RELIABILITY AND GENERATION AUDITS, AND PUBLIC SAFETY POWER SHUTOFF OVERSIGHT**

A Spring Finance Letter requests \$1,892,000 ongoing for seven (7.0) new permanent positions and \$200,000 per year for three years for consultant services from the Public Utilities Commission Utilities Reimbursement Account (Fund 0462). These resources are necessary to address an increased workload associated with the management of electric generation audits, establishing a real-time and ongoing generation monitoring program, and strengthening the CPUC's ability to address increasing complexities of investor-owned utility wildfire operations and Public Safety Power Shutoffs (PSPS) compliance oversight.

---

**Staff Recommendation: Absent member questions or input from the public at this hearing, Staff recommends this item be considered for a vote-only calendar when the Committee takes action.**

---

**ISSUE 36: HUMAN RESOURCES: HUMAN CAPITAL MANAGEMENT (HCM) SYSTEM**

A Spring Finance Letter requests \$1,960,000 in 2022-23 and \$200,000 ongoing from various special funds to procure, implement, and license the Human Capital Management (HCM) system to increase CPUC Human Resources Division (HRD) staff efficiency and provide greater timeliness and accuracy, while supporting related human resources (HR) data initiatives.

---

**Staff Recommendation: Absent member questions or input from the public at this hearing, Staff recommends this item be considered for a vote-only calendar when the Committee takes action.**

---

**3820 SAN FRANCISCO BAY CONSERVATION AND DEVELOPMENT**

---

---

**ISSUE 37: HYBRID COMMISSION MEETINGS AND NEW COMPLIANT WEBSITE**

A Spring Finance Letter requests \$195,000 General Fund in 2022-23, and \$125,000 General Fund ongoing to pay for: (1) costs associated with providing hybrid public meetings emanating physically from BCDC's leased office space (\$125,000 in FY22-23); and, (2) to create a new website to replace the Commission's out-of-compliance and unfixable current website (a \$70,000 one-time expenditure).

---

**Staff Recommendation: Absent member questions or input from the public at this hearing, Staff recommends this item be considered for a vote-only calendar when the Committee takes action.**

---

**3830 SAN JOAQUIN RIVER CONSERVANCY**

---

---

**ISSUE 38: SAN JOAQUIN RIVER CONSERVANCY WORKLOAD SUPPORT**

A Spring Finance Letter requests ongoing position authority for three positions from the General Fund. These positions will implement projects funded by a \$15 million General Fund appropriation included in the 2021 Budget Act.

---

**Staff Recommendation: Absent member questions or input from the public at this hearing, Staff recommends this item be considered for a vote-only calendar when the Committee takes action.**

---

**3760 STATE COASTAL CONSERVANCY**

---

---

**ISSUE 39: ESTABLISHMENT OF TWO POSITIONS FOR THE GREAT REDWOOD TRAIL PROJECT**

A Spring Finance Letter requests the establishment of two permanent full-time positions to implement the Great Redwood Trail Project pursuant to Chapter 423, Statutes of 2021 (SB 69). These positions will be funded through an appropriation included in the 2021 Budget to aid in the planning and reuse of the assets of the North Coast Rail Authority.

---

**Staff Recommendation: Absent member questions or input from the public at this hearing, Staff recommends this item be considered for a vote-only calendar when the Committee takes action.**

---

**ISSUE 40 : NEW REIMBURSEMENT AUTHORITY**

A Spring Finance Letter requests \$40 million in increased reimbursement authority for fiscal year 2022-23 and \$20 million in increased reimbursement authority in 2023-24 to receive and disburse grant funds. The grants will provide funding for the protection and restoration of coastal and ocean resources related to the effects of sea level rise and other impacts of climate change.

---

**Staff Recommendation: Absent member questions or input from the public at this hearing, Staff recommends this item be considered for a vote-only calendar when the Committee takes action.**

---

**3860 DEPARTMENT OF WATER RESOURCES**  
**3940 STATE WATER RESOURCES CONTROL BOARD**

---

---

**ISSUE 41 : DROUGHT PLANNING FOR NONTRANSIENT NONCOMMUNITY WATER SYSTEMS (SB 552)**

A Spring Finance Letter requests \$1.8m ongoing funding (\$1.1m General Fund and \$675,000 from the Safe Drinking Water Account Fund) and 5.0 permanent positions to support Chapter 245, Statutes of 2021 (Senate Bill 552), the Drought Resilient Communities Act of 2021.

---

**Staff Recommendation: Absent member questions or input from the public at this hearing, Staff recommends this item be considered for a vote-only calendar when the Committee takes action.**

---

**3125 CALIFORNIA TAHOE CONSERVANCY**

---

---

**ISSUE 42: FOREST PROGRAM MANAGEMENT**

A Spring Finance Letter requests \$1 million ongoing increase in reimbursement authority, and a \$1 million ongoing increase in Federal Trust Fund authority, along with one position to support recently awarded state and federal grants. The additional resources will increase the pace and scale of forest restoration work in the region to reduce risks associated with catastrophic wildfires, drought, and climate change.

---

**Staff Recommendation: Absent member questions or input from the public at this hearing, Staff recommends this item be considered for a vote-only calendar when the Committee takes action.**

---

**3960 DEPARTMENT OF TOXIC SUBSTANCES CONTROL**

---

---

**ISSUE 43: SANTA SUSANA FIELD LABORATORY CLEANUP TEAM**

A Spring Finance Letter requests 14.0 permanent positions, \$2.1 million Hazardous Waste Control Account (HWCA), and \$1 million Federal Trust Fund (FTF) in 2022-23 and annually thereafter to establish and support the Santa Susana Field Laboratory (SSFL) Cleanup Implementation Team. The cost of the positions will be funded through cost recovery from the three responsible parties for the Santa Susana Field Laboratory [i.e., the United States Department of Energy (DOE), the National Aeronautics and Space Administration (NASA), and the Boeing Company (Boeing)].

---

**Staff Recommendation: Absent member questions or input from the public at this hearing, Staff recommends this item be considered for a vote-only calendar when the Committee takes action.**

---

**3860 DEPARTMENT OF WATER RESOURCES**

---

---

**ISSUE 44: CENTRAL VALLEY FLOOD PROTECTION BOARD DATABASE MANAGEMENT**

A Spring Finance Letter requests \$160,000 ongoing General Fund to make ongoing improvements to the Database Management Program. The improvements will generate accurate and up to date permitting and enforcement data for the application functions. In addition, the improvements will convert thousands of historical paper records into a digital format allowing for time-saving research and application processing. Both functions will keep the database running and up to date, creating improved efficiencies for day-to-day work. The Board requests \$60,000 to compensate DWR staff for the improvement work and \$100,000 for the database improvements.

---

**Staff Recommendation: Absent member questions or input from the public at this hearing, Staff recommends this item be considered for a vote-only calendar when the Committee takes action.**

---

**ISSUE 45: SALTON SEA REIMBURSEMENT AUTHORITY: PROTECT AND ENHANCE NATURAL SYSTEMS**

A Spring Finance Letter requests \$145.5 million in State Reimbursement Authority and \$5.2 million in federal Reimbursement Authority for the Salton Sea Projects over a period of four years. These Salton Sea Management Program projects continue to support the California Water Resilience Portfolio (Action 17), to “Protect and Enhance Natural Systems” and are specifically designed to minimize air pollution and restore habitat at the Salton Sea. DWR will be reimbursed from funds that have already been appropriated to the California Natural Resources Agency (CNRA) Proposition 68, Department of Fish and Wildlife (DFW) Proposition 84, and the Wildlife Conservation Board (WCB) Proposition 50. The resources will be used to continue construction of 7,500 acres of habitat conservation and dust mitigation projects, over a period of 4 years.

---

**Staff Recommendation: Absent member questions or input from the public at this hearing, Staff recommends this item be considered for a vote-only calendar when the Committee takes action.**

---

**ISSUE 46: CALIFORNIA WATER COMMISSION: WATER STORAGE INVESTMENT PROGRAM SUPPORT**

A Spring Finance Letter requests 3 permanent positions for the Water Storage Investment Program (WSIP). These positions would increase efficiency and better position the Commission to manage the WSIP. The program’s funding is continuously appropriated from Proposition 1.

---

**Staff Recommendation: Absent member questions or input from the public at this hearing, Staff recommends this item be considered for a vote-only calendar when the Committee takes action.**

---

## DISCUSSION ITEMS

### 3970 DEPARTMENT OF RESOURCES RECYCLING AND RECOVERY

---

---

#### ISSUE 1: BEVERAGE CONTAINER RECYCLING: STRENGTHENING THE CIRCULAR ECONOMY WITH CONSUMER RECYCLING CREDITS AND MARKET INCENTIVES

A Spring Finance Letter requests \$330 million in Fiscal Year (FY) 2022-23 from the Beverage Container Recycling Fund to maximize climate, environmental, and consumer benefits and enhance the circular economy of the Beverage Container Recycling Program.

#### PANEL

The following individuals will participate in the discussion of this issue:

- Rachel Machi Wagoner, Director, CalRecycle
- Christian Beltran, Principal Program Budget Analyst, Department of Finance
- Sergio Aguilar, Assistant Program Budget Manager, Finance
- Ross Brown, Principal Fiscal & Policy Analyst, Legislative Analyst's Office

#### BACKGROUND

This proposal includes:

- \$100 million for a one to two month “holiday” where bottle redemption value will double from five and ten cents respectively, to ten and twenty cents respectively.
- \$70 million to establish mobile recycling programs to serve rural and underserved areas.
- \$50 million to install 1,000 automatic redemption machines at high schools and colleges.
- \$50 million to install 1,000 automatic redemption machines at supermarkets.
- \$50 million for quality incentive payments for better quality sorting of plastic and glass.
- \$2 million for forgivable loans to cover startup costs and incentive recycling processors to open in locations without a certified processor in a 50 mile radius. The loans would be forgiven after 3 years of operational compliance.
- \$2 million for forgivable loans to cover startup costs and incentive recycling processors to open in locations without a certified processor or approved pilot project in a 10 mile radius. The loans would be forgiven after 3 years of operational compliance.

- \$1 million for a smartphone app and fiscal transparency website.
- \$5 million for contracts with local workforce development groups. The goal would be to help with activities that sustain the community’s redemption needs, including monitoring the ARMs and pickup when full, servicing the ARMs, separate small bag drop service, etc. Workforce development groups would be operated by government entities, local education agencies, non-profits, university sponsored groups, and community colleges. Groups could include, but not be limited to Corps, programs helping developmental disabilities, parole, and probation programs.

This proposal also requests the following provisional language:

3970-101-0133—For local assistance, Department of Resources Recycling and Recovery, payable from the California Beverage Container Recycling Fund.....330,000,000

Schedule: (1) 3715-Beverage Container Recycling and Litter Reduction.....330,000,000

Provisions: 1. The Funds appropriated in this item shall be available for programs and activities to increase returns of beverage containers by consumers, provide market incentives for clean collection to support achieving minimum content goals and encourage remanufacturing, allow for innovative recycling mechanisms to increase redemption opportunities, and provide a targeted mobile program to serve rural areas.

2. Notwithstanding any other provision of law, the Department of Resources Recycling and Recovery shall use the funds appropriated in this item and is authorized to provide a Consumer Recycling Credit, establish mobile recycling programs, enter into contracts with providers of mobile recycling programs, increase redemption opportunities including but not limited to the use of automated recycling machines, award grants for the use of increasing redemption opportunities including but not limited to the use of automated recycling machines, provide loans, provide quality incentive payments, and contract with local workforce development groups to support redemption activities.

3. Notwithstanding any other provision of law, the Department of Resources Recycling and Recovery may adopt emergency regulations specifically for implementing proposals to support programs and activities identified in this item. These emergency regulations shall not be repealed by the Office of Administrative Law and shall remain in effect until revised by the department.

4. Grants and contracts pursuant to this item are exempt from Chapter 2 (commencing with Section 10290) of Part 2 of Division 2 of the Public Contract Code, and the department may award those contracts on a noncompetitive bid basis as necessary to implement the purposes of this item. The Department may adopt guidelines to implement this item. Those guidelines are

not subject to Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code.

5. The funds appropriated in this item shall be available for encumbrance or expenditure until June 30, 2025, for support and local assistance. Not more than five percent of the amount appropriated in this item may be used for administrative costs.

#### LAO COMMENTS

The California Department of Resources Recycling and Recovery (CalRecycle) requests \$330 million one-time (Beverage Container Recycling Fund) for various activities intended to increase beverage container recycling rates and access, including both new activities and expansions of existing activities. In our view, given recent declines in recycling rates and the substantial BCRF fund balance, providing one-time funding to improve program outcomes could have merit. However, the Governor's specific package of proposals currently lacks key details and raises important policy questions for the Legislature to consider. Based on our initial review of the proposals, some of the key questions the Legislature might want to consider and ask the Administration in budget hearings include:

- ***Does the proposal address a well-identified problem?*** The Legislature will want to ensure any proposed spending addresses a well-identified problem. For example, many of the proposals seek to increase opportunities for consumers to redeem containers, including Automatic Recycling Machines and establishing mobile recycling programs. These proposals aim to address a well-established problem, as a large number of recycling centers have closed over the last several years. However, in other cases, the Administration has not clearly identified the challenge it is trying to target and/or explained how the proposed spending would address the issue. For example, the Administration proposes to allocate \$100 million to a temporary Consumer Recycling Credit, which would double the existing California Refund Value (CRV) for several weeks. According to CalRecycle, this proposal is intended to encourage consumers to return beverage containers purchased, but not returned, during the pandemic. First, it is not clear that consumers are currently storing a substantial number of beverage containers that were purchased during the pandemic. It is possible that, instead, those unrecycled beverage containers are somewhere else (such as in a landfill). Second, even if consumers are storing an abnormally large number of containers, it is unclear how a temporary increase in the CRV would encourage consumers to redeem beverage containers that would not otherwise be redeemed. Presumably, many consumers storing beverage containers are likely doing so with the intent to redeem them in the future. If so, a temporary increase in the CRV could simply *shift* the date these containers are redeemed, but have very little impact on the overall number of containers that are eventually recycled.

- **How effective is the proposal at addressing the problem?** So far, the Administration has provided limited information about the degree to which each proposal would achieve key recycling goals, such as increasing recycling rates and/or expanding access to recycling opportunities in underserved areas. The Legislature might want to direct the Administration to report at budget hearings on the degree to which each program is expected to help achieve these goals and what evidence it can provide to substantiate those anticipated outcomes.
- **How have results from pilots informed this proposal?** CalRecycle and local governments are currently implementing five pilot projects aimed at exploring alternative redemption options, such as bag drop sites, at-home pick up, and mobile recycling trucks. After receiving an additional \$10 million BCRF in the 2021-22 budget, CalRecycle plans to initiate another five pilot projects in the coming months. To our knowledge, the Administration has not conducted a preliminary evaluation of the existing pilot projects. The Legislature might want to direct the Administration to report the progress of the pilot programs, including preliminary outcomes, key lessons learned, and how these pilots have informed the development of this spring proposal. If results from the pilots are not yet available, the Legislature could consider delaying at least some of the funding until it has more information about which pilots were most effective.
- **Does the proposal have ongoing benefits?** The Legislature might want consider ways to target funding to activities that are likely to improve ongoing recycling rates and access, rather than providing one-time benefits. Some of the Administration's proposals have the potential to increase recycling on an ongoing basis, such as supporting automatic recycling machines in supermarkets and providing loans to recyclers that may be forgiven if the recycler operates at least three years. In other cases, such as the proposed Consumer Recycling Credit, the proposal would likely yield only the limited-term results. The Legislature might want to direct the Administration to report on which programs are most likely to have long-term recycling benefits and focus funding primarily on those efforts.

#### STAFF COMMENTS

Over the past few years, numerous recycling centers throughout the state have closed and left Californians with little opportunity to redeem their California Redemption Value (CRV) refunds. This has increased during the COVID 19 pandemic and fewer bottles have been recycled at recycling centers, curbside bins, or even found in landfills. As a result, the surplus of the Beverage Container Recycling Fund has grown. Staff appreciates the Administration's efforts to increase redemption locations which will increase recycling while enabling Californians to collect their CRV fees.

To better understand this proposal, this Subcommittee may wish to ask:

- What is the outcome of existing pilot programs?
- How will these investments increase permanent access to recycling infrastructure so Californians can redeem their California Redemption Value fees?
- How does the department plan to ensure the automated recycling machines are maintained after installation?
- Why specific exemptions from law are needed to enact this proposal? The provisional language seems overly broad by exempting all current laws including the Administrative Practice Act and Public Contract Code requirements.

Staff recommends:

- Removing silos in the funding proposal and instead allow the funds to be competitively awarded to a wider range of actions that can improve customer access to recycling and redemption including establishing new recycling centers, mobile recycling, reverse vending machines, and bag drop programs in rural and underserved areas.
- Increasing funds for forgivable loans to increase recycling processor locations.
- Limiting the \$1 million for app development to solely fund improvements to the website including hours of operation.
- Adding funding for quality incentive payments to sort thermoform plastic material to divert that material from contaminating plastic beverage container bales at curbside.
- Allow existing recycling centers to establish mobile recycling to expand their outreach.

---

**Staff Recommendation: Hold Open.**

---

## 3940 STATE WATER RESOURCES CONTROL BOARD

### ISSUE 2: IMPLEMENTATION OF THE SUSTAINABLE GROUNDWATER MANAGEMENT ACT (SGMA)

A Spring Finance Letter requests \$1,657,000 General Fund ongoing to support 7.0 new permanent positions and 1.0 existing position to carry out statutorily mandated oversight responsibilities under the Sustainable Groundwater Management Act (SGMA). This includes placing basins that have been found deficient into probationary status and managing groundwater basins to protect drinking water users and other users.

The included proposed Budget Trailer Bill language would modify Water Code section 10736.2 to lower SGMA implementation costs and shorten SGMA implementation timelines by exempting the State Water Board's adoption and amendment of interim plans from the requirements of the California Environmental Quality Act (CEQA).

The proposed trailer bill language would read:

SECTION 1. Section 10736.2 of the Water Code is amended to read:  
 10736.2. (a) Except as provided in subdivision (b), Division 13 (commencing with Section 21000) of the Public Resources Code does not apply to any action or failure to act by the board under this chapter, other than the adoption or amendment of an interim plan pursuant to Section 10735.8, chapter.  
(b) Notwithstanding subdivision (a), Division 13 (commencing with Section 21000) of the Public Resources Code applies to the construction activities of a physical solution of an interim plan, adopted pursuant to Section 10735.8, when those construction activities may have a significant effect on the environment.

#### PANEL

The following individuals will participate in the discussion of this issue:

- James Nachbaur, Director – Office of Research, Planning and Performance, State Water Resources Control Board
- Krystal Acierto, Principal Program Budget Analyst, Department of Finance
- Rachel Ehlers, Deputy Legislative Analyst, Legislative Analyst's Office

#### STAFF COMMENTS

While this proposal and trailer bill language seem reasonable to enable the implementation of the Sustainable Groundwater Management Act in a timely manner, this Subcommittee may wish to narrow the trailer bill language.

Since the California Environmental Quality (CEQA) would only apply to “physical solutions of an interim plan when those construction activities may have a significant effect on the environment” is a subjective phrase and it would be difficult to determine the effect on the environment without a CEQA analysis.

The Subcommittee may wish to strike the words “when those construction activities may have a significant effect on the environment” to remove ambiguity.

---

**Staff Recommendation: Hold Open.**

---

## 3900 CALIFORNIA AIR RESOURCES BOARD

---

---

### ISSUE 3: OIL AND GAS ENFORCEMENT AND COMMUNITY PROTECTION

A Spring Finance Letter requests \$677,000 ongoing from the Oil Gas and Geothermal Administrative Fund and 3 permanent positions. Additionally, CARB requests \$685,000 ongoing from the Air Pollution Control Fund and 3 permanent positions. This request includes \$10,000 in ongoing contract funds to form a new initiative focused on providing oversight to air districts on ensuring compliance to minimize emissions from the oil and gas industry. This work will help protect disadvantaged communities by supporting compliance with federal air quality attainment standards and California's greenhouse gas goals for this sector and more broadly. Three positions, including one Staff Air Pollution Specialist, one Air Resources Engineer, and one Air Pollution Specialist, will focus exclusively on oil and gas extraction facilities in California. The other three staff, including one Air Resources Supervisor-I, one Air Resources Engineer, and one Air Pollution Specialist will focus on oil and gas importation, refining, and distribution facilities.

#### PANEL

The following individuals will participate in the discussion of this issue:

- Heather Quiros, Assistant Division Chief of Enforcement Division, California Air Resources Board
- Brandon Merritt, Finance Budget Analyst, Department of Finance
- Christian Beltran, Principal Program Budget Analyst, Department of Finance
- Ross Brown, Principal Fiscal & Policy Analyst, Legislative Analyst's Office

#### LAO COMMENTS

The California Air Resources Board (CARB) requests a total of \$1.4 million and six permanent positions to establish a new unit focused on oversight and enforcement related to oil and gas extraction facilities and refineries. In general, we think ensuring the Board has adequate resources to monitor compliance with regulations intended to reduce greenhouse gases and air pollution, particularly in heavily polluted communities, has merit. However, this proposal raises some important questions for the Legislature to consider. For example, we recommend the Legislature ask the Administration to report at budget hearings on the following issues:

- **Why Oil and Gas?** Why should the state focus its limited resources on monitoring oil and gas extraction facilities, rather than other sources of pollution? For example, in

many heavily-polluted communities, mobile sources, such as diesel trucks and equipment, are the primary sources of air pollution. Why does the Administration focus on oil and gas facilities as such a high priority with this proposal?

- **Why a New Program?** Why is an entirely new unit needed? CARB already has existing programs and staff resources dedicated to similar activities. For example, CARB staff are already implementing the “Study of Neighborhood Air near Petroleum Sources” to characterize air quality in communities near oil and gas facilities, the Criteria and Toxics Reporting Regulation, and other research efforts to better understand emissions from oil and gas facilities. The Legislature might want to ask CARB to explain why existing programs and resources are insufficient to meet its goals.
- **Why CARB?** If more resources are needed to provide oversight of oil and gas facilities and refineries, why is CARB the best entity to conduct these efforts? Generally, local air districts have the primary responsibility for regulating stationary sources of air pollution. Why are more resources needed at CARB, rather than local air districts?

---

**Staff Recommendation: Hold Open.**

---

**3540 CALIFORNIA DEPARTMENT OF FORESTRY AND FIRE PROTECTION**

---

---

**ISSUE 4: OFFICE OF THE STATE FIRE MARSHAL, FIRE AND LIFE SAFETY DESIGNATED CAMPUS FIRE MARSHAL PROGRAM**

A Spring Finance Letter requests \$3.2 million reimbursement authority increase in 2022-23, \$2.8 million ongoing, and 12.0 positions to support the Office of the State Fire Marshal's (OSFM) workload associated with reviewing the University of California (UC) campus' adherence to the Designated Campus Fire Marshal (DCFM), Memorandum of Understanding (MOU) entered into as allowed by Health and Safety Code (HSC) section 13146.

**PANEL**

The following individuals will participate in the discussion of this issue:

- Chief Wendy Collins, Assistant State Fire Marshal, CAL FIRE
- Stephen Benson, Principal Program Budget Analyst, Department of Finance
- Helen Kerstein, Principal Fiscal & Policy Analyst, Legislative Analyst's Office

**LAO COMMENTS**

***Governor Proposes New Unit to Oversee UC's Enforcement of Building Standards.*** The proposal would provide \$3.2 million in reimbursement authority in 2022-23 and \$2.8 million ongoing and 12 positions to create a new unit within OSFM. This unit, which would be called the University of California (UC) Compliance and Evaluation Unit (CEU), would oversee UC's Designated Campus Fire Marshal (DCFM) program and would be paid for by UC. (At the time this analysis was prepared, UC could not provide us with information on which source of funds it would use to pay for these costs.) Since 1994, OSFM has delegated authority to enforce regulations and building standards related to fire and panic safety at UC campuses to DCFM pursuant to Memoranda of Understanding (MOU). OSFM argues that the proposed resources are necessary to help it oversee DCFM's compliance with the current MOU, such as by enabling it to provide more training to DCFM and perform additional monitoring and data collection activities. CalFire notes that the department identified overseeing DCFM's enforcement of building standards as a risk in its 2021 Leadership Accountability Report.

***Recommend Rejecting Proposal Due to Insufficient Justification of Need for New Unit.*** We find that OSFM has not provided adequate justification for the need for the requested unit. Specifically, at the time this analysis was prepared, CalFire had not provided specific evidence to substantiate that DCFM currently fails to adequately enforce building standards or justify that

a new unit within OSFM is necessary to monitor and improve DCFM's longstanding delegated authority. Furthermore, we note that UC has expressed concerns with this proposal. Specifically, UC argues that additional OSFM oversight of DCFM is not required as DCFM staff are trained and hold the same prerequisites for certification as do OSFM deputies. UC further asserts that the proposal will result in an unnecessary burden on campuses to coordinate with OSFM for a redundant program. UC also indicates that it does not believe the proposed resources are warranted or reasonable.

Given the lack of adequate justification from OSFM that the proposed unit is necessary and the concerns raised by UC, we recommend rejecting the proposal. To the extent the Administration would like to continue to pursue this proposal, it could resubmit it in January 2023. This would provide OSFM time to provide additional justification of the need for this unit and afford the Legislature more time to consider the concerns raised by UC.

<b>STAFF COMMENTS</b>
-----------------------

Staff agrees with the Legislative Analyst's Office's recommendation and suggests that CalFire coordinate with the University of California, who would be required to fund this proposal, and come back with a new proposal in January if there is consensus.

---

**Staff Recommendation: Reject.**

---

<p>This agenda and other publications are available on the Assembly Budget Committee's website at: <a href="https://abgt.assembly.ca.gov/sub3hearingagendas">https://abgt.assembly.ca.gov/sub3hearingagendas</a>. You may contact the Committee at (916) 319-2099. This agenda was prepared by Shy Forbes.</p>
--